

# **EXHIBIT 28**

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2016  
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to  
Commission File No. 001-7784



**CENTURYLINK, INC.**

(Exact name of registrant as specified in its charter)

**Louisiana**

(State or other jurisdiction of  
incorporation or organization)

**100 CenturyLink Drive,  
Monroe, Louisiana**

(Address of principal executive offices)

**72-0651161**

(I.R.S. Employer  
Identification No.)

**71203**

(Zip Code)

**(318) 388-9000**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐  
(Do not check if a smaller reporting  
company)

Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

On April 28, 2016, there were 546,051,961 shares of common stock outstanding.

**(5) Earnings Per Common Share**

Basic and diluted earnings per common share for the three months ended March 31, 2016 and 2015 were calculated as follows:

	Three Months Ended March 31,	
	2016	2015
	(Dollars in millions, except per share amounts, shares in thousands)	
Income (Numerator):		
Net income	\$ 236	192
Earnings applicable to non-vested restricted stock	-	-
Net income applicable to common stock for computing basic earnings per common share	236	192
Net income as adjusted for purposes of computing diluted earnings per common share	\$ 236	192
Shares (Denominator):		
Weighted-average number of shares:		
Outstanding during period	544,845	566,687
Non-vested restricted stock	(6,046)	(4,718)
Weighted-average shares outstanding for computing basic earnings per common share	538,799	561,969
Incremental common shares attributable to dilutive securities:		
Shares issuable under convertible securities	10	10
Shares issuable under incentive compensation plans	1,378	1,526
Number of shares as adjusted for purposes of computing diluted earnings per common share	540,187	563,505
Basic earnings per common share	\$ 0.44	0.34
Diluted earnings per common share	\$ 0.44	0.34

Our calculation of diluted earnings per common share excludes shares of common stock that are issuable upon exercise of stock options when the exercise price is greater than the average market price of our common stock. We also exclude unvested restricted stock awards that are antidilutive as a result of unrecognized compensation cost. Such shares averaged 3.1 million and 2.2 million for the three months ended March 31, 2016 and 2015, respectively.

**(6) Fair Value Disclosure**

Our financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and long-term debt, excluding capital lease and other obligations. Due to their short-term nature, the carrying amounts of our cash and cash equivalents, accounts receivable and accounts payable approximate their fair values.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent and knowledgeable parties who are willing and able to transact for an asset or liability at the measurement date. We use valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs when determining fair value and then we rank the estimated values based on the reliability of the inputs used following the fair value hierarchy set forth by the FASB.

We determined the fair values of our long-term debt, including the current portion, based on quoted market prices where available or, if not available, based on discounted future cash flows using current market interest rates.

The three input levels in the hierarchy of fair value measurements are defined by the FASB generally as follows:

Input Level	Description of Input
Level 1	Observable inputs such as quoted market prices in active markets.
Level 2	Inputs other than quoted prices in active markets that are either directly or indirectly observable.
Level 3	Unobservable inputs in which little or no market data exists.

The following table presents the carrying amounts and estimated fair values of our long-term debt, excluding capital lease and other obligations, as well as the input level used to determine the fair values indicated below:

			As of March 31, 2016		As of December 31, 2015	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
Input Level						
(Dollars in millions)						
Liabilities-Long-term debt, excluding capital lease and other obligations	2	\$	19,610	19,561	19,800	19,473

## (7) Segment Information

### Segment Data

We are organized into operating segments based on customer type, business and consumer. These operating segments are our two reportable segments in our consolidated financial statements:

- Business Segment.** Consists generally of providing strategic, legacy and data integration products and services to small, medium and enterprise business, wholesale and governmental customers, including other communication providers. Our strategic products and services offered to these customers include our MPLS, private line (including special access), Ethernet, high-speed Internet, colocation, managed hosting and other ancillary services. Our legacy services offered to these customers primarily include switched access and local and long-distance voice services, including the sale of unbundled network elements ("UNEs") which allow our wholesale customers to use all or part of our network to provide voice and data services to their customers. Our data integration offerings include the sale of telecommunications equipment located on customers' premises and related professional services, all of which are described further below under the heading "Product and Service Categories"; and
- Consumer Segment.** Consists generally of providing strategic and legacy products and services to residential customers. Our strategic products and services offered to these customers include our high-speed Internet, video (including our Prism TV services) and wireless services. Our legacy services offered to these customers include local and long-distance voice services.

The results of our business and consumer segments are summarized below:

	Three Months Ended March 31,	
	2016	2015 <sup>(1)</sup>
(Dollars in millions)		
Total segment revenues	\$ 4,093	4,194
Total segment expenses	2,051	2,071
Total segment income	\$ 2,042	2,123
Total margin percentage	50%	51%
Business segment:		
Revenues	\$ 2,604	2,697
Expenses	1,427	1,463
Income	\$ 1,177	1,234
Margin percentage	45%	46%
Consumer segment:		
Revenues	\$ 1,489	1,497
Expenses	624	608
Income	\$ 865	889
Margin percentage	58%	59%

(1) Reflects the recasting of segment results discussed in the next section entitled "Changes in Segment Reporting."

Exhibit 32

**Chief Executive Officer and Chief Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

Each of the undersigned, acting in his capacity as the Chief Executive Officer or Chief Financial Officer of CenturyLink, Inc. ("CenturyLink"), certifies that, to his knowledge, the Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 of CenturyLink fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of CenturyLink as of the dates and for the periods covered by such report.

A signed original of this statement has been provided to CenturyLink and will be retained by CenturyLink and furnished to the Securities and Exchange Commission or its staff upon request.

Dated: May 5, 2016

/s/ GLEN F. POST, III

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Glen F. Post, III  
Chief Executive Officer and  
President

/s/ R. STEWART EWING, JR.

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R. Stewart Ewing, Jr.  
Executive Vice President, Chief  
Financial Officer and Assistant  
Secretary